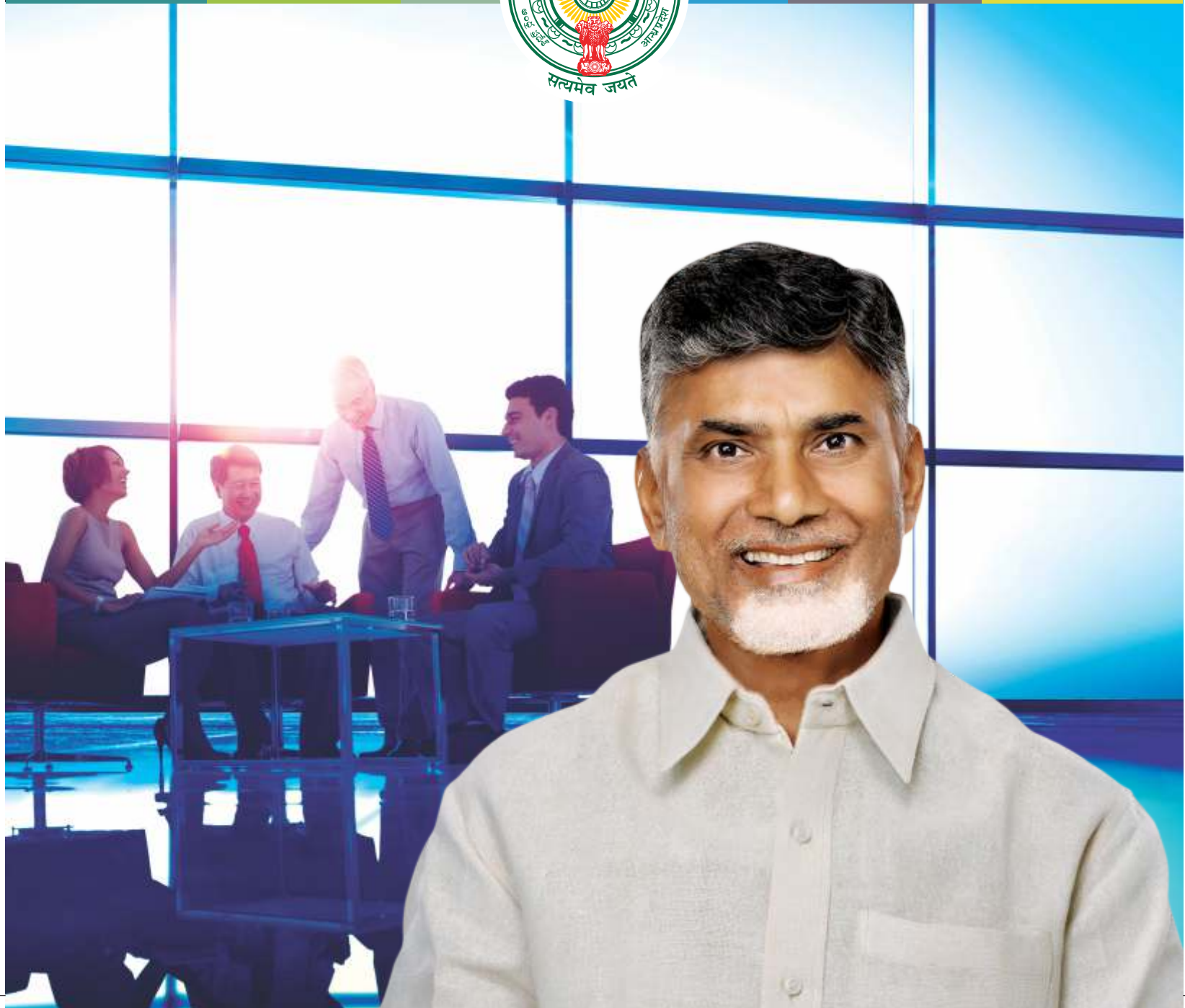


GOVERNMENT OF ANDHRA PRADESH

# ANDHRA PRADESH SINGLE DESK POLICY 2015-20



“ Government of Andhra Pradesh is committed to providing a friendly business environment marked by ease of doing business, best in class policies and unparalleled support in attracting and facilitating industrial investments. To that end, the Single Desk Policy 2015-20 is a key instrument in achieving this goal.

The Policy aims to create a conducive ecosystem to provide all clearances required to setup industry within 21 days. Single desk mechanism will provide clearances required for starting an industry across pre-establishment and pre-operation phases.

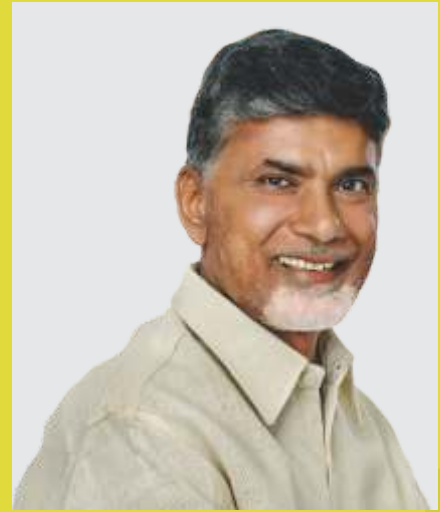
Various institutional mechanisms have been put in place to simplify processes and procedures. A Single Desk portal is also implemented for ensuring real time monitoring and course correction.

I am certain that the Single Desk Policy 2015-20 would act as a strong foundation for improving Ease of Doing Business in the State, and make Andhra Pradesh a leading destination for both domestic and global investment.

We look forward to welcoming you, and forging strong partnerships as we embark on the growth trajectory of Sunrise Andhra Pradesh.

**Nara Chandrababu Naidu**

Hon'ble Chief Minister of Andhra Pradesh





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# ANDHRA

## INTRODUCTION TO ANDHRA PRADESH

Andhra Pradesh is strategically located on the Southeast coast of India and is a natural gateway to East & Southeast Asia. The state has a population of 4.93 crores (as per population census - 2011), accounting for 4% of country's population, residing in 4.9% of country's geographical area. Andhra Pradesh has abundant natural resources (barytes, limestone, bauxite, and a number of minor minerals), fertile land and river basins, water resources, extensive canal system and conducive agro-climatic conditions. The State has the second longest coastline in India and is also one of the largest producers of marine products.

At current prices, the Gross State Domestic Product (GSDP) of Andhra Pradesh was ₹ 4,75,859 crores in 2013-14. Between 2004-05 and 2012-13, the average annual GSDP growth rate of Andhra Pradesh was 7.25%, while the average per capita income (at current prices) increased from ₹ 46,345 in 2008-09 to ₹ 88,876 in 2013-14.

Andhra Pradesh, over the years, has established a strong presence in agro and food processing, textiles, chemicals & petrochemicals, pharmaceuticals, metallurgy, electronics and electrical engineering sectors.

Government of Andhra Pradesh is committed to attracting and facilitating industrial investments in the state by ensuring highest ease of doing business. To that end, the Single Desk Policy will be a key instrument in achieving this goal.

### Single Desk Policy

Time taken to obtain all clearances to set up industry is core to measuring the ease of doing business. The Single Desk Policy aims to create a conducive ecosystem to provide all clearances required to setup industry **within 21 working days**. This shall be achieved by adopting following measures:

- **Policy:** Review of applicable Acts, Rules and policies of respective Competent Authorities with the objective of speedy clearances.
- **Institutional:** Strengthening capacity of respective Competent Authorities, District Industries Centers (DICs) etc.
- **Process Streamlining:** Streamlining operations of respective Competent Authorities and Nodal Agencies by effective monitoring and tracking by investors as well as Competent Authorities.



# PRADESH



## STATE LEVEL CLEARANCE MECHANISM

Clearances for all proposals for investments in new industrial units or expansion of existing industrial units which exceeds the **investment threshold of MSME** sector will be dealt with at the State level. The state level clearance mechanism shall comprise of the following:

### 1.1 STATE SINGLE DESK BUREAU:

The Single Desk Bureau (Bureau) will be chaired by the Commissioner of Industries and shall comprise of Head of Departments (HoDs) from departments mentioned in 1.2. This Bureau shall be supported by a robust IT application for tracking and monitoring of all industrial clearances. The members of the Bureau shall ensure that department-specific clearances are provided within stipulated timelines. The Commissioner of Industries will be authorized to issue specific clearances should the concerned department not provide clearance after following due process within stipulated time. The responsibility of any such clearance being provided by the Commissioner of Industries due to delay on behalf of specific department shall lie with the HoD of that department. Industries and Commerce Department shall examine and ensure that enabling provisions are made in concerned Acts / Rules to empower Commissioner of Industries accordingly. The Bureau shall meet once a fortnight on 3rd and 16th day of every month. In case if either 3rd or 16th day of any month is a holiday, the Bureau shall meet on the next working day. It shall be mandatory for members of the Bureau to attend the above meetings in person. In the absence of Commissioner of Industries, Additional Director, Industries will chair the meetings of the Bureau. Minutes of these meetings shall be communicated to the Chief Secretary regularly.

### 1.2 THE COMPOSITION OF THE BUREAU IS AS INDICATED BELOW:

i.	Director of Industries	Chairman
ii.	VC and MD, APIIC	Member
iii.	CMD, AP TRANSCO	Member
iv.	Addl. Secretary, Dept. of Energy	Member
v.	Chief Electrical Inspectorate	Member
vi.	Commissioner, CT Dept.	Member
vii.	Commissioner, Panchayat Raj Dept.	Member
viii.	Director General, Fire Services Dept.	Member
ix.	Commissioner, Labour Dept.	Member
x.	Director, Factories Dept.	Member
xi.	EnC, Irrigation Dept.	Member

xii.	Member Secretary, APPCB	Member
xiii.	Director of Ground Water Dept.	Member
xiv.	Director, MA & UD	Member
xv.	Secretary to Chief Commissioner, Land Admin	Member
xvi.	Commissioner & IG, Stamps & Reg Dept.	Member
xvii.	Any other HoD/officer as and when required	

### **1.3 EMPOWERED COMMITTEE OF SECRETARIES:**

An Empowered Committee of Secretaries chaired by Chief Secretary to the Government and convened by Secretary Industries shall meet every month to monitor and review the following:

- i. Performance of single desk system
- ii. Policy issues relating to investment facilitation and project grounding
- iii. Implementation of all important ongoing projects
- iv. Screening of all mega project proposals
- v. Scrutiny of all issues/proposals which may merit consideration of the SIPB
- vi. Any other issue governing industrial environment proposed by Commissioner of Industries

The Empowered Committee shall subsume all functionalities of the SIPC and the latter will cease to exist.

#### **Members of the Empowered Committee shall include:**

- I. Secretary, Finance
- ii. Secretary, Environment, Forest, Science & Technology
- iii. Secretary, Revenue (LA)
- iv. Secretary, Revenue (CT)
- v. Secretary, Employment & Labour
- vi. Member Secretary, Pollution Control Board
- vii. Secretary, Energy & Infrastructure
- viii. Secretary, MA & UD
- ix. VC and MD, APIIC
- x. Secretary, Panchayati Raj
- xi. Commissioner, Industries
- xii. Any other HoD/officer as and when required.

### **1.4 GRIEVANCE / APPEAL:**

In the event of an applicant being aggrieved by any order of the Bureau, he can make an application for review to the Empowered Committee.

# 02

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## **DISTRICT LEVEL CLEARANCE MECHANISM**

### **2.1 DISTRICT INDUSTRIES PROMOTION COMMITTEE:**

District Industries Promotion Committee (DIPC) chaired by the District Collector shall act as the Empowered Committee at the District Level. It shall provide approvals & clearances for setting up new industrial units and for expansion of existing industrial units in the Micro, Small and Medium Enterprise sector in line with the threshold investment limits defined from time to time as per the Micro Small and Medium Enterprises Development Act, 2006. The District Collector will be authorized to issue specific clearances should the concerned department not provide clearance after following due process within stipulated time. The responsibility of any such clearance being provided by the District Collector due to delay on behalf of specific department shall lie with the HoD of that department. Industries and Commerce Department shall examine and ensure that enabling provisions are made in concerned Acts / Rules to empower District Collector accordingly. To ensure institutionalizing the timely approvals / clearance mechanism, DIPC shall meet once a fortnight on 2nd and 15th day of every month. In case if either 2nd or 15th day of any month is a holiday, the Committee shall meet on the next working day. In the absence of District Collector, Joint Collector of the district will chair the DIPC meetings.

### **2.2 GRIEVANCE / APPEAL:**

In the first instance, all District level grievances will be referred to the Commissioner of Industries. In the event an applicant is aggrieved by the order of the Commissioner, he may make an application for review to the Empowered Committee.

# 03

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## **COVERAGE OF APPROVALS AND CLEARANCES**

To start an industry, a subset of 24 different clearances may be required. Of these 24, 13 approvals / clearances are necessary in the Pre-establishment stage and 11 approvals / clearances are necessary in the Pre-operation stage. List of these clearances are provided in Annexure I and Annexure II.



# 04

## MEASURES TO SIMPLIFY PROCESS & PROCEDURES

Simplification of process and procedures at the Competent Authorities and Nodal Agencies associated with processing applications as part of the Single Desk mechanism has been based on review of applicable laws & regulations governing process / compliances required to set up new industrial units or expanding existing units.

- 4.1 **Spot Approvals:** Spot approvals shall be given in case of clearances / approvals which require only a scrutiny of basic documents. They include Registration under Professional Tax, Registration of Shops and Establishments, Registration of establishments deploying contractual workmen / interstate migrant workmen among others.
- 4.2 **Deemed Approval based on self-certification:** If select approvals & clearances are not granted within stipulated timelines, deemed approval for the same shall be provided to applicants based on self-certification provided by them. They include Building Permission from Gram Panchayat, Factory Registration among others.
- 4.3 **Assignment of Inspection to Private Technical Experts:** Based on a review of applicable laws & regulations governing approvals & clearances required to set up new industrial units or expanding existing units, provisions have been identified in select regulations where inspections are permitted to be conducted by technically qualified experts in the private sector. They include Boiler Registration among others.
- 4.4 **Parallel Processing of clearances:** Based on a review of applicable laws & regulations governing approvals & clearances, all intra-approval dependencies have been dispensed with and parallel processing of all clearances has been introduced to expedite closure of application process.
- 4.5 **Streamlined processes:** An Information Technology enabled platform shall be implemented for accepting and electronically distributing applications to the respective Competent Authorities as well as tracking & monitoring the status of application processing.

# ANNEXURE I: PRE-ESTABLISHMENT STAGE APPROVALS/ CLEARANCES

Sl. No.	Name of the Clearance / Approval	Department	Permissible Time Limits
1.	Power Feasibility certificate/ sanction of power supply	DISCOM-Department of Energy	7 days
	Power Connection		To be based on the length of the HT line
2.	Electrical Inspectorate statutory approval for drawings	Chief Electrical Inspectorate- Department of Energy	7 days
3.	Building /Site Permission / Approval/License from Municipality/ UDA <sup>1</sup> /DT&CP <sup>2</sup> /	Department of Municipal Administration & Urban Development	7 days
4.	Building /Site Permission from Gram Panchayat	Department of Panchayati Raj & Rural Development	15 days / Deemed
5.	(i). Approval for water supply from ULB <sup>33</sup> s-MA & UD Department	Department of Municipal Administration & Urban Department	7 days
	Water Connection		21 days
	ii). Permission to draw water from river/public tanks, Irrigation & CAD Department Permission to dig new wells from Ground Water Department	Irrigation & CAD Department	15 days
6.	Factory Plan Approval	Directorate of Factories- Department of Labor Employment Training and Factories	7 days
7.	Fire-No Objection Certificate	Directorate of Fire Services-Department of Home	15 days
8.	Registration for VAT, CST	Commercial Tax- Department of Revenue	3 days
9.	Consent for Establishment	APPCB	
	a) Green Category		7 days
	b) Orange Category		15 days
	c) Red Category		21 days
10.	Approval of change of land use for Industrial purpose	Land Administration- Department of Revenue	If in Master Plan - 10 days
			If in Master Plan - 21 days
11.	Registration of Partnership Firms	Registration & Stamps- Department of Revenue	3 days
12.	License for manufacture of bulk drugs / formulations / cosmetics	Drug Control Administration- Department of Health, Medical & Family Welfare	15 days
13.	License for manufacture of ayurvedic, homeo, siddha, unani	AYUSH-Department of Health, Medical & Family Welfare	15 days

<sup>1</sup> Urban Development Authority

<sup>2</sup> Directorate of Town & Country Planning

<sup>33</sup> Urban Local Bodies

## ANNEXURE II: PRE-OPERATION STAGE APPROVALS/ CLEARANCES

Sl. No.	Name of the Clearance / Approval	Department	Permissible Time Limits
1.	Final approval from Electrical Inspectorate- Department of Energy-Chief Electrical Inspector	Chief Electrical Inspectorate- Department of Energy	7 days
2.	Registration under Professional Tax	Commercial Tax-Department of Revenue	<b>Spot approval</b>
3.	Factory Registration / licensing	Directorate of Factories-Department of Labor Employment Training and Factories	7 days / Deemed for Registration only
4.	Registration of shops & establishments	Commissionerate of Labor - Department of Labor Employment Training and Factories	<b>Spot approval</b>
5.	Occupancy certificate from Fire Services Department	Directorate of Fire Services- Department of Home	15 days
6.	Consent for Operation/ Authorization	APPCB	
	a) Green Category		7 days
	b) Orange Category		15 days
	c) Red Category		21 days
	d) Authorization of units handling hazardous wastes		Processed along with CFO
7.	Boiler registration	Directorate of Boilers-Department of Labor Employment Training and Factories	15 days
8.	(i). Registration of establishments deploying contractual workmen	Commissionerate of Labor - Department of Labor Employment Training and Factories	<b>Spot approval</b>
	(ii).Registration of establishments deploying inter-state migrant workmen		<b>Spot approval</b>
9.	Registration of plastic manufacturers / recyclers	APCCB	15 days
10.	License for storage of petroleum, diesel and Naptha	District Collector/ Civil Supplies Department	15 days
11.	License for possession and use of Rectified Spirit and Denatured Spirit	Prohibition & Excise Department of Revenue	21 days



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